Waiving of farmers' loans

3784. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a sum of Rs. 60,000 crore has been provided for waiver of loans to farmers;

(b) if so, the allocation for small & marginal and other farmers, State/UT-wise;

(c) whether this amount will be met by respective banks that have sanctioned these loans to farmers or from Central budget;

(d) whether this amount will be met from Non-Performing Assets (NPAs) of banks or from Central Budget; and

(e) what kind of relief Government proposes to give to small and marginal farmers who have taken loans from money lenders and non-Government or public bodies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) As per preliminary estimates, the total financial implication of the debt waiver and debt relief scheme for farmers is around Rs. 60,314 crore comprising Rs. 50,524 crore towards debt waiver to small and marginal farmers and Rs. 9,790 crore as relief to other farmers as a one-time settlement (OTS) at 25 per cent of their overdues.

(c) and (d) A farmers' Debt Relief Fund has been created with an initial corpus of Rs. 10,000 crore transferred from the Consolidated Fund of India to the Public Accounts during the financial year 2007-08. The fund is to be augmented as required, for reimbursing the Scheduled Commercial Banks, Regional Rural Banks and Cooperative Credit Institutions against the amount of debt waiver/relief granted by them.

(e) The Farm Credit package of June, 2004, *inter-alia,* includes relief measures for farmers indebted to non-institutional lenders, including moneylenders, by providing them loans from banks against appropriate collateral or group security. However, due to lack of proper documentation, transparency and authenticity of data coupled with poor accounting methods, so far loans worth Rs. 105 crore only have been disbursed in about 36,000 accounts.

Circulation of one thousand and five hundred rupees currency notes

3785. SHRI ABU ASIM AZMI: Will the Minister of FINANCE be pleased to state:

(a) whether Government is actively considering to put a check on the circulation of Rs. 1000/- and Rs. 500/- notes to avoid inflation in the country;

(b) if so, the details thereof and when it is expected to be implemented;

(c) whether such currency notes shall be reserved for business purposes only and not for common circulation; and

(d) if so, how far the inflation is expected to the controlled and by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) No, Sir.

(b) to (d) Does not arise.